

**Palmtree Acquisition Corporation****4545 Airport Way****Denver, Colorado 80239**

May 15, 2009

**By Hand Delivery**

Linda Ketellapper, SFD-7-5  
U.S. Environmental Protection Agency  
Superfund Division  
75 Hawthorne Street  
San Francisco, CA 94105

Dear Ms. Ketellapper:

This letter responds to the U.S. Environmental Protection Agency's ("USEPA") February 24, 2009 letter to Palmtree Acquisition Corporation ("Palmtree") entitled General Notice Letter and Request for Information, Omega Chemical Corporation Superfund Site ("General Notice Letter"). In a March 18, 2009 email, you (on behalf of USEPA) provided Palmtree an extension of time until May 15, 2009 to respond to the General Notice Letter.

Palmtree is responding to the General Notice Letter in its capacity as the sole general partner of Catellus Operating Limited Partnership, a Delaware limited partnership, which is the successor by merger to Catellus Development Corporation (together with its corporate predecessors, collectively referred to as "Catellus").

**Response to Inquiry in General Notice Letter**

The property identified in the General Notice Letter as its subject is located at 12128 Burke Street, Santa Fe Springs, California (the "Property"). The Property was previously owned by Catellus or its corporate predecessors, from approximately 1975 to 2000.

The General Notice Letter asks Palmtree to report on the status of any ongoing cleanup or other activities on the Property. Catellus has not owned the Property since 2000. We are not aware of any ongoing cleanup or other activities at the Property at the present time. Accordingly, we are not in possession of any agreements or orders relating to any ongoing cleanup activities.

**Request that U.S. Environmental Protection Agency Send a General Notice Letter to Chrysler Corporation**

According to the General Notice Letter, hazardous substances originating over one mile upgradient at the Omega Chemical property have migrated downgradient in a groundwater swath that now exists beneath the Property and even further downgradient. Palmtree is not aware, and so specifically denies, that any releases of hazardous substances occurring at the Property, whether or not occurring during Catellus' ownership of it, have commingled at all with hazardous substances carried beneath the Property from the Omega Chemical property, much less that any such commingling would trigger joint and several liability for the Omega Chemical plume under the federal Superfund statute.

But to the extent that any hazardous substances were discharged at the Property, whether or not they became commingled with the Omega Chemical plume, *any such discharges were not caused by the landowner Catellus, but rather by a tenant of Catellus – Chrysler Corporation ("Chrysler")*. From 1965 through 1988, a twenty-three year period, Chrysler was the sole lessee and operator/occupant of the Property, first under a lease from a prior owner and then (from 1975 through 1988) under a lease from Catellus. During that entire period of tenancy, Chrysler operated a new car preparation facility on the Property (and on the surrounding parcels) with an address listed as 12140 Slauson Avenue. Chrysler's facility operations included several clarifiers, underground storage tanks, hydraulic hoists and service pits, all to enable Chrysler to perform new car mechanical work, body work, painting, tune-up, front-end alignment, emissions control testing, washing, detailing and road performance testing on new cars, which were stored on a large paved parking area prior to delivery to Chrysler dealers. Upon the termination of the leasehold in 1988, Chrysler demolished all existing improvements and removed all underground structures including a clarifier on the Property. In late 1990, as Catellus was preparing to redevelop the Property, petroleum and solvent contamination was discovered in the soils beneath the former clarifier. Catellus reported the contamination to the Los Angeles Regional Water Quality Control Board (the "Regional Board"), and conducted an environmental investigation and extensive soil excavation and offsite removal under the oversight of the Regional Board. As a result of those actions, the contaminated soils under the former clarifier were removed. The Regional Board issued a letter determination in August 1999 confirming that Catellus had completed all source removal on the Property (*see*, attached August 6, 1999 letter from the Regional Board to Catellus). The Regional Board required no further investigation or remedial work at that time. After development, Catellus sold the Property in 2000 to a new owner.

In short, Catellus and its predecessors never operated on the Property. But Chrysler, a former Catellus tenant, did operate on the Property in a manner that caused the releases of hazardous substances requiring environmental response and remediation. To the extent that USEPA believes and it is determined that any releases from the Property have commingled with the Omega Chemical groundwater plume, Chrysler caused those releases and should receive a General Notice Letter from USEPA and be found responsible for those releases. We ask that USEPA confirm for us that such a letter has been sent to Chrysler.

**Primary Contact Designation**

I have included with this letter a completed Primary Contact Designation Form for receipt of all future correspondence on this matter. As you can see, I will be the designated contact for Palmtree.

Sincerely,

PALMTREE ACQUISITION  
CORPORATION

A handwritten signature in black ink, appearing to read "Scott Strine", written over the company name.

Scott Strine  
Vice President



Don H. Hickox  
Secretary for  
Environmental  
Protection

197A  
California Regional Water Quality Control Board  
Los Angeles Region

320 W. 4th Street, Suite 200, Los Angeles, California 90013  
Phone (213) 576-6600 FAX (213) 576-6640  
Internet Address: <http://www.swrcb.ca.gov/~rwqcb4>



Gray Davis  
Governor

August 6, 1999

Mr. James A. Adams  
Catellus Development Corp.  
201 Mission Street, 2nd Floor  
San Francisco, CA 94105

**CATELLUS DEVELOPMENT - CENTRAL PROPERTY - 12140 EAST SLAUSON AVENUE, SANTA FE SPRINGS (SLIC NO. 197A)**

Dear Mr. Adams:

We have reviewed the following site assessment reports submitted for the above-mentioned site:

Petroleum Industry Consultants Tank Removal Report, dated 3/31/88.  
Geosec Tank Excavation and Removal Report, dated 10/28/88.  
Converse Environmental West Preliminary Report, dated 12/28/90.  
Converse Environmental West Final Report, dated 8/29/91.  
Dames & Moore Remedial Excavation Workplan, dated 1/10/92.  
Dames & Moore Soil & Groundwater Investigation Workplan, dated 2/23/94.  
Dames & Moore Site Characterization Activities Summary, dated 4/6/95.  
Dames & Moore Subsurface Investigation Report, dated 9/6/96.

The Central Property (Site) consists of approximately 10.53 acres of land that were a part of the 40-acre Chrysler Nu-car Preparation facility. The historical uses for the Site include bulk storage from approximately 1928 to the mid-1940s, agricultural purposes from the 1940s to the early 1960s, and new car preparation operations from 1965 to 1988. In 1988, Chrysler discontinued operations and began site demolition activities. The Site has recently been developed into office and warehouse buildings.

Approximately ten building structures were formerly located on the Site. Car preparation operations formerly conducted at the site include body work, mechanical work, tune-up, front-end alignment, emissions control testing, painting, washing, detailing, and road performance tests. Seventeen hydraulic hoists, sixteen underground storage tanks (USTs), five clarifiers, and six service pits were formerly located on-site.

Chrysler ceased operations in 1988 and began site demolition activities. At that time, the hydraulic hoists, USTs, clarifiers, and service pits were removed from the site. Approximately 1,000 cubic yards of impacted soil were excavated and disposed off-site. With the exception of data from soil collected near clarifier CL-2, soil confirmation data collected from the excavations indicated that soil contamination had been removed from the site. Additional site assessment data indicated that significant concentrations of TPH and VOCs were detected in the vicinity of the former clarifier CL-2. The highest soil concentrations detected for TPH, TCE, PCE, and 1,1-DCE, were 13,000 µg/kg, 340 µg/kg, 3,800 µg/kg, and 1,200 µg/kg, respectively. Soil contamination was detected from the surface to 33 feet below ground surface (bgs).

In 1990, Converse Consultants excavated approximately 1,000 cubic yards of impacted soil from the former location of CL-2. An area measuring approximately 30 feet by 28 feet, was excavated to a depth of 33 feet bgs. Groundwater sampling data collected from on-site monitoring wells indicated that the highest PCE and 1,1-DCE concentrations were detected in GW-3, which is located downgradient of CL-2. The depth to groundwater was approximately 33 feet bgs.

In June and July 1996, Dames & Moore advanced 41 additional soil borings to determine if impacted soil was present in the former source areas. Soil sampling data indicated low concentrations of VOCs in the

**California Environmental Protection Agency**



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Mr. James A. Adams  
Central Property

- 2 -

August 6, 1999

soil. The highest PCE concentration detected was 23 µg/kg. Soil samples were collected at 5, 10, and 15 feet bgs, and analyzed for TPH and VOCs. The depth to groundwater was approximately 17 feet bgs. Since all sources of contamination have been remediated, **we require no further action for the soil at this Site.** Due to recent changes in legislation, the USTs will be addressed in a separate correspondence.

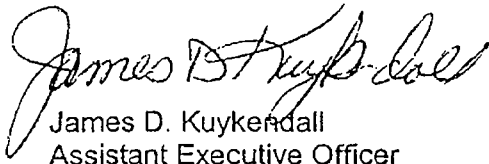
Groundwater data collected in 1996 indicated an upgradient groundwater contamination plume was migrating on-site. The most upgradient monitoring well GW-9, contained PCE and TCE concentrations at 1,600 µg/L and 310 µg/L, respectively. The highest PCE and TCE concentrations collected from GW-14 and GW-13, which are located in the immediate vicinity of CL-2, were 52 µg/L and 73 µg/L, respectively.

Previous groundwater data collected for the Site in 1991 and 1994, indicated that soil contamination detected at CL-2 had impacted the groundwater at this Site. The most recent groundwater data collected indicate that there is a regional groundwater problem in the area. We do not require any further action for the groundwater contamination at this time. The Water Board is currently evaluating groundwater conditions in the Santa Fe Springs area and may require additional groundwater assessment at this Site, at a future date.

If you have any questions, please contact Ms. Jenny M. Au at (213) 576-6734.

Sincerely,

Dennis A. Dickerson

  
James D. Kuykendall  
Assistant Executive Officer

Cc: Ms. Debra Stott, Dames & Moore

*California Environmental Protection Agency*



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# PRIMARY CONTACT DESIGNATION FORM

## Palmtree Acquisition Corporation

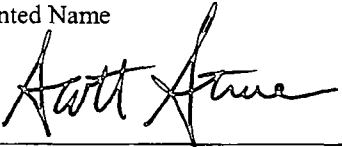
### PLEASE COMPLETE AND RETURN THIS FORM WITHIN THIRTY CALENDAR DAYS OF RECEIPT

Please complete this form by printing or typing the requested information. If any of the information provided on this form changes after submission of the form including, but not limited to, changes in corporate relationships, please notify EPA at the address listed below as soon as possible. Thank you for your cooperation.

1. Please provide the following information for the single person who will be the above-named company's or individual's contact for all future communications (including correspondence, informational mailings, etc.) from EPA regarding Omega. You may designate a legal or other representative as the single primary contact. Please enter "N/A" if the requested information is not applicable to you.

Company/Organization/Individual Name: (only if different from above):		
Name of Designated Contact:	Scott Strine	Contact's Title: Vice President
Contact's Firm Name:	Palmtree Acquisition Corporation	
Street Address (no P.O. Box):	4545 Airport Way	
City, State & Zip:	Denver, Colorado 80239	
Telephone Number:	(303) 567-5676	Fax Number: (303) 567-5604
E-mail Address:	sstrine@prologis.com	
Web-site Address:	www.prologis.com	
2. Other information: Law/Consulting Firm Name (if applicable):	Deborah J. Schmall, Esq. Paul, Hastings, Janofsky & Walker LLP	

### 3. Printed Name and Signature of Person Completing This Form

Scott Strine	Vice President	Palmtree Acquisition Corporation
Printed Name	Title	Company/Organization
		5/15/2009
Signature		Date

### 4. Please return this form to:

Linda Ketellapper, Case Developer  
Mail Code SFD-7-5  
U.S. Environmental Protection Agency  
75 Hawthorne St.  
San Francisco, CA 94105